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ADMINISTRATIVE MATTERS: JOINT INSPECTION UNIT

Activities of the Joint Inspection Unit in 1993 and first half of 1994 of relevance to UNIDO

Note by the Secretariat

Summary

Provides a list of reports prepared by the Joint Inspection Unit (JIU) during 1993 and the first half of 1994, as well as a summary of those reports of relevance to UNIDO and reflects the position of the Organization on those matters. Subjects covered are: working with non-governmental organizations, specific development needs of small Member States, science and technology institutions in Africa, communication for development, national execution of projects, accountability and oversight, analysis of cost savings from JIU reports, common system of salaries, advancement of the status of women in the United Nations Secretariat, and a new performance appraisal system.

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Introduction

1. The Joint Inspection Unit (JIU) is, according to its statute which was accepted by UNIDO in Board decision IDB.1/Dec.22, a subsidiary organ of the legislative bodies of the organizations that accept its statute. The statute foresees that reports of JIU shall be submitted with the comments of the executive heads of the organizations concerned to the competent organs of those organizations. Moreover, the executive heads of organizations concerned are responsible for the expeditious implementation of recommendations made in the reports.

2. The General Assembly, in its resolution 48/221, considered and took note with appreciation of the activities of JIU for the period 1 July 1990 to 30 June 1993, and noted the preliminary work programme for JIU for 1994-1995 and beyond contained in document A/48/34. In the resolution, the General Assembly stressed the importance of timely substantive consideration of JIU reports by Member States and participating

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organizations and called upon the executive heads of those organizations to ensure that JIU recommendations approved by their governing bodies are implemented and to report thereon. Document A/48/34 and the reports of JIU are available at the Secretariat for consultation.

I. JOINT INSPECTION UNIT REPORTS COMPLETED

3. Since the issuance of the most recent document to the Board on the subject (IDB.11/12), the following reports of JIU have been prepared and circulated for consideration, comments and/or follow-up action:

(a) Working with NGOs: Operational activities for development of the United Nations system with non-governmental organizations and Governments at the grassroots and national levels (JIU/REP/93/1)*

(b) Decentralization of Organizations within the United Nations system, Part III: The World Health Organization (JIU/REP/93/2)*

(c) Relationship agreements between the United Nations and specialized agencies: review and strengthening of sections pertaining to the common system of salaries, allowances and conditions of services (JIU/REP/93/3)*

(d) A review of the specific development needs of small Member States and the responsiveness of the United Nations development system to these needs (JIU/REP/93/4)*

(e) Accountability and oversight in the United Nations Secretariat (JIU/REP/93/5)*

(f) Staff of the United Nations peace-keeping and related missions (civilian component) (JIU/REP/93/6)

(g) Analysis of cost savings from JIU reports, 1985-1992 (JIU/REP/93/7)*

(h) United Nations system support for science and technology in Africa (JIU/REP/94/1)*

(i) Regional presence of the International Telecommunications Union (JIU/REP/94/2)

(j) Advancement of the status of women in the United Nations Secretariat in an era of "Human Resource Management" and "Accountability": A new beginning? (JIU/REP/94/3)*

(k) Communication for development programmes in the United Nations system (JIU/REP/94/4)* 1/

(l) National execution of projects (JIU/REP/94/4)* 1/

(m) Toward a new system of performance appraisal in the United Nations Secretariat: requirements for successful implementation (JIU/REP/94/5)*

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* Indicates a report of direct relevance or interest to UNIDO.

1/ Two reports with the same symbol.

The Unit also issued a note entitled "An agenda for peace - some reflections on chapter IX - Financing" (JIU/NOTE/93/1).

II. REPORTS SUBMITTED BY THE JOINT INSPECTION UNIT OF DIRECT INTEREST TO UNIDO

A. Substantive and programmatic issues

Working with NGOs: Operational activities for development of the United Nations system with non-governmental organizations and Governments at the grassroots and national level (JIU/REP/93/1)

4. The report bears witness to the role which non-governmental organizations (NGOs) play in addressing current development issues and the resultant necessity to enhance cooperation between NGOs, Governments and international organizations. Objectives of NGOs are related to popular participation in development activities, which should lead to putting people first, and related topics of human resource development, capacity-building and poverty alleviation. The main premise of the report is that the country level is the central focus for operational partnership with NGOs. The report identifies aspects that offer advantages or could lead to potential frictions in dealing with NGOs and intends to stimulate a continuing debate on and action towards improving working relationships between the three parties.

5. The report employs a three-pronged approach that relates to: (a) the involvement of NGOs at the country level; (b) strategies at the regional and global level in support of country-level initiatives; and (c) the collaborative process itself. In recommendation 1, the Inspectors advise that executive heads of each organization with operational activities for development should consider the following basic steps to ensure greater involvement of NGOs: (a) increase NGO participation in the formulation, implementation and assessment of development programmes; (b) enable field representations to cooperate actively and effectively with NGOs through delegation of authority and decentralization; (c) adopt guidelines that enhance the understanding of field representations of the functioning of NGOs; (d) advise on approaches to encourage and facilitate the dialogue between Governments and NGOs; and (e) advise on the differences, similarities and changing relationship between Southern (developing country) and Northern (developed country) NGOs.

6. In recommendation 2, the Inspectors further suggest that international organizations should support these initiatives at the country level through the establishment of regional and global focal points: the former to ensure adequate coverage of countries where field representations are lacking, the latter to provide overall policies, guidance and publications for operational activities with NGOs. In addition to these institutional measures, it is recommended that NGOs be involved more actively in special regional and global conferences. Also, cooperation with the United Nations NGO Liaison Service should be improved. As to the collaborative process itself, it is proposed that international organizations should identify and support relevant NGO networks, establish information systems and foster information exchange, support capacity-building and training initiatives at the country level, and

seek to harmonize and simplify evaluation procedures and encourage participatory evaluation methodologies.

7. In their recommendations 4 and 5, the Inspectors addressed requests to the Administrative Committee on Coordination (ACC), the United Nations Development Programme (UNDP) and the United Nations. ACC was invited to take the lead in developing appropriate, harmonized and simplified guidance for funding, financial management and auditing processes. The importance of the field network of UNDP and its focus on national capacity-building and grassroots participation in development was highlighted, while the United Nations was asked to formulate procedures that could facilitate the participation of NGOs in, inter alia, global conferences.

8. UNIDO supports the view of JIU that NGOs are an important partner in the development process, in particular in the industrial sector where actors increasingly come from the non-governmental part of the economy. The role of local NGOs such as chambers of commerce and/or industry and business associations has become essential to UNIDO programmes in support of the development of the private sector. They act as counterparts in projects and participate in programmes that are directed at improving the dialogue between Governments and the private sector. Furthermore, their participation in the identification and planning of development programmes is secured through the application of the objectives-oriented project planning methodology. As to the collaboration with Northern NGOs, UNIDO aims to involve them in the industrialization process of developing countries through the contribution of additional resources both "in kind" and financial. Their representatives participate in expert group meetings and Consultations, sharing their knowledge and providing advice. A total of 100 international NGOs have consultative status with UNIDO, participate in the sessions of the General Conference and the Industrial Development Board, other relevant conferences and Consultation meetings.

A review of the specific development needs of small Member States and the responsiveness of the United Nations development system to these needs (JIU/REP/93/4)

9. The report indicates that no clear definition of "small State" exists and therefore adopts physical area, population and size of the economy as indicators based on which factors are reviewed such as the gross domestic product growth rates and components of the UNDP Human Development index. The conclusion can be drawn that small States do not form a coherent group of countries as their levels of Human Development indices and economic performance patterns differ widely. Thus a correlation between size and development level cannot be established. The Inspectors concluded that no useful purpose would be served by distinguishing small Member States as a separate category. Their report suggests, none the less, that these countries have two main problem areas in common: first, the diseconomies of scale, which affects both the potential and prospects of the industrial sector and the overheads on aid programmes and secondly, the vulnerability to external influences. The latter problem includes economic aspects such as commodity prices and preferential trade regimes. Environmental concerns constitute yet another issue. The report enumerates a number of characteristics which, it admits, are not exclusive to small countries but are prominent in this group of States. Those factors directly related to industrial development are: limited resource endowment; a limited, predominantly labour-intensive or virtually non-existent manufacturing sector; attempts to create state-owned over-protected enterprises; high levels of unemployment; a scarcity of qualified and skilled personnel that is attributable to weaknesses in the educational system and migration; and weak indigenous technical capacity.

10. Recommendation 1 of the report is directed at the legislative bodies of the United Nations organizations and suggests that greater weight be given to "smallness" in the allocation of development assistance whenever this factor accentuates the difficulties of economic and social development. The report also includes a wide range of further recommendations to be taken up by the United Nations agencies at the country level: flexibility in responding to the needs of small countries should be adopted; capacities to monitor environmental issues should be improved; the adoption of regional approaches by which economies of scale can be exploited should be encouraged; after carrying out pilot studies to ascertain the most effective way for doing so, economic and social research institutes should be created and strengthened; particular assistance should be extended if a small country suffers the effects of external influences. In recommendation 6 the Inspectors suggest that UNDP and the specialized agencies invite the Consultative Committee on Programme and Operational Questions (CCPOQ) to examine possibilities of standardizing area responsibilities of their field representations. In recommendation 8, the Inspectors propose that UNDP, together with UNCTAD and relevant specialized agencies, should identify information needs, users and cost-effective means of dissemination as well as examine possibilities of greater sharing of databases.

11. UNIDO provided detailed comments on the draft report of JIU which were, at least partly, reflected in the final report. For instance, UNIDO supported the view of JIU that the creation of a separate category of countries would not be useful. A number of those factors influencing the development of small countries (see previous para.) were contributed by UNIDO to the report. As to the recommendations, technical cooperation programmes of UNIDO are geared towards meeting requirements by promoting the establishment of indigenous small-scale businesses. Projects are dedicated to fostering small-scale industries, creating industrial estates and developing technical consultancy and extension services. At the level of the institutional infrastructure, great importance is attached by UNIDO to the establishment of technology development centres in view of the importance of technology in the industrial development context. Environmentally sustainable industrial development being one of the five development objectives of the Organization ensures that activities, mostly of the capacity-building type, are directed at attaining such development. Activities of UNIDO include a wide variety of capacity-building services, e.g., the Industrial and Technological Information Bank (INTIB), which contributes to the provision of information support and facilitates regional cooperation in the same field.

The United Nations system support for science and technology in Africa (JIU/REP/94/1)

12. This report is the first study in a series of three that will cover all three major developing regions. It combines issues related to scientific and technological development with those arising in the context of institution-building projects, attending to questions of capacity-building and technology transfer. Science and technology, while understood as a fundamental factor in the modernization of societies and in nation-building, is placed in the overall context of socio-economic development which, as the report states, requires political will and steering towards long-term national goals based on vision, societal consensus, discipline and stability. The report provides an overview of the mixture of definitions, concepts, programmes and activities used by a number of organizations and concludes that no common science and technology framework exists in the United Nations system. One of the main findings is that the performance of the 16 projects under review (none of which was implemented by UNIDO) was, in 50 per cent of the cases, below standard as regards their attainment in terms of institution-building capacities.

13. The recommendations of JIU are broad and focus largely on institution-building aspects of projects and not on science and technology issues per se. Their recommendations entail the following: the institution-building functions defined in the JIU report should be refined and adopted at the level of the ACC; institution-building projects should be justified by a thorough pre-feasibility analysis of the long-term cost benefit and financial sustainability of the supported institution; the programme approach mandated by General Assembly resolution 44/211 should be applied more systematically to institution-building projects; funding organizations should consider the possibility of a set of penalties, agreed at the level of ACC, so that the designation of the executing agency is made subject to past performance, including the performance of national counterpart institutions. Project agreements should explicitly specify and quantify the direct technical inputs to be provided by the regular personnel of executing agencies; justification for Chief Technical Advisers should be clearly established where projects support well-established institutions, which should increasingly be used as implementing agencies; end users should be involved in project design and planning and the linkage of the institution to the productive sector should be clearly specified in project agreements; the Secretary-General of the United Nations should initiate discussions at the highest level of ACC concerning the possibility of increased support to science and technology capacity-building in Africa, undertake consultations on the possibility of holding a summit meeting of the Organization of African Unity on science and technology and consider the feasibility and timeliness of establishing a few pilot science and technology strategic institutions at national and regional level.

14. Similar to JIU, UNIDO found during the start-up phase of its in-depth evaluation of the development and transfer of technology that not only the United Nations system but in general no harmonized conceptual framework for the development of technological capacities existed. The Organization therefore established such a framework that embeds technological development in its social, economic and cultural context with the intention to bridge questions of technological development with those of human development. It defines the components of a technological system, signifying the technological capacity, and identifies specific aspects of technology transfer. It suggests that the key development question in this context is the extent to which, and the areas in which, a country should establish indigenous capacities and which technologies should be imported - a situation that implicitly requires capacities already in place to identify, assess and select technologies and negotiate transfer agreements. This conceptual framework requires verification, a task to be undertaken during the main phase of the evaluation.

15. As to the recommendations, UNIDO pointed out that an adequate and proven framework for institution-building projects was developed during a joint evaluation exercise of the United Nations, UNDP and UNIDO in the field of industrial research and service institutions. The concept put forward in the JIU report mingles institutional issues with those concerned with support extended to the institution which, already from the conceptual point of view may impede sustainability and independence in the long term. The recommendation to ensure the linkage between institutions and the productive sector is fully supported by UNIDO, which finds it regrettable that none of the projects that were reviewed were related to that principle. The suggested introduction of a penalty system may encounter difficulties insofar as problems are quite often multi-faceted and responsibility cannot be accorded to one party alone. Moreover, such a penalty system seems contrary to the spirit of cooperation, which is a common interest in all development programmes. The proposed specification of technical inputs by agencies conforms with the UNDP successor arrangements, introduced in 1992, which foresee under TSS-2 that the services of agencies be detailed.

Communication for development programmes in the United Nations system (JIU/REP/94/4)

16. This report deals with the central role of communication for successful implementation by the United Nations system of development programmes and for an improvement of the interaction between the actors in development. It builds on the significance of communication in an increasingly interdependent world where information and awareness is an important component in meeting issues in the field of development, humanitarian assistance and peace-keeping operations. The reality of a world in rapid, constant evolution has, according to JIU, put into perspective the strategic value of communication, especially dissemination of information and sharing of knowledge. To be effective, communication must be a two-way process involving both dispensers and beneficiaries of information with the aim of finding a consensus to the satisfaction of all interests and needs. The report observes that, at present, the situation with regard to communication activities in the United Nations system is not satisfactory, nor is the level of inter-agency coordination keeping up with the evolution of the communication discipline. The subject does not feature as a priority theme for most agencies and, left to the initiative of the Chief Technical Advisor, communication is rarely integrated into the entire cycle of development

assistance. The report identifies one of the major causes for the absence of communication from development programmes to be the UNDP project execution modalities, which do not provide scope for a communication dimension.

17. The report includes the following recommendations: in agencies dealing with development or humanitarian assistance, the policy of communication should be integrated into each department and that budgets for all projects and programmes should make provisions for communication activities; communication units should enjoy a certain autonomy and have direct functional relations with the various organizational offices dealing with field activities rather than being located only in information units; donors should be invited to provide adequate resources to support and expand communication activities; at headquarters level an internal mechanism such as focal points should be established in order to ensure that all divisions are informed of each other's work; at the country level a communication coordination committee could be established in which representatives of all organizations, agencies and government offices participate; NGOs should be involved as an effective communication channel to beneficiaries; the existing informal round table conference for development communication should be regularized in order to bridge communication gaps between agencies; a systematic approach to training communication specialists should be developed by agencies and academic institutions should be encouraged to include such training in their curricula; the ACC programme classification on communication extended for UNDP use should be redefined to respond to needs of Member States.

18. UNIDO agrees with the finding of JIU that communication aspects should be built into projects, starting at the design stage, to increase the involvement and understanding of project beneficiaries and to strengthen the liaison between United Nations agencies and national authorities throughout the project. The report is being reviewed internally to derive useful lessons and take decisions for follow-up action.

National execution of projects (JIU/REP/94/4)

19. The report reviews the modality of national execution of projects which, in pursuance of General Assembly resolution 47/199, should be considered the norm for project execution. It states that the main objective to be attained through government execution is the establishment and strengthening of national capacities to pursue a process of self-development, i.e. identify, formulate, appraise, implement and evaluate technical cooperation programmes and activities. The report observes that the degree and quality of government execution depends on factors such as will, competence and authority of responsible ministries and related national offices, the attitude of UNDP and the competence and personality of its resident representative in a given country, the transparency and effective search for the most qualified executing agency and subsequently the degree of involvement of specialized agencies, the quality and extent of cooperation between all partners concerned and the nature of the project itself. The report identifies a number of shortcomings that can be summarized as the need of all parties concerned to overcome a certain degree of reluctance to fully introduce and accept national execution: donors' hesitation vis-à-vis the concept as such, agencies doubting somewhat the technical and administrative competence of Governments to execute projects, reservations of Governments vis-à-vis national experts, and the reluctance of international experts to engage in direct contracts with Governments.

20. In their recommendations the Inspectors stress the importance of implementing the modality of government execution in the spirit of cooperation: all partners should be involved in all phases of the programme approach, UNDP and specialized agencies should advise Governments on the most suitable executing agency, the choice of which should be based on principles of transparency and sincere cooperation among all parties concerned, and UNDP should ensure that funds are utilized in accordance with the mandates and rules of UNDP. Moreover, the entire United Nations system should earmark additional resources for the conduct of training courses through which national cadres could be provided with the managerial and administrative skills required for government execution. At the same time, Governments should solicit from UNDP and the donor community necessary financial support for the establishment and upkeep of the necessary infrastructure. At the country level, specialized agencies should increase their presence to provide requisite advisory services to Governments. In recognition of the cost implications of such an increased presence, JIU suggested that UNDP and specialized agencies consider the consolidation of their field offices under one roof. The multiplicity of applicable rules and regulations complicates the work of Governments and international agencies alike. Therefore, the Inspectors recommend that UNDP should revise parts of its Programme and Project Manual in order to harmonize, simplify and increase uniformity of rules and procedures. Together with the specialized agencies, UNDP should elaborate requisite guidelines for government execution. Finally, UNDP should study ways and means to increase the financial and managerial control over funds to provide guarantees to the donor community that development funds are utilized and managed in accordance with the spirit and regulatory framework of UNDP.

21. UNIDO provided extensive comments on the draft report, which were largely reflected in the final version, and agrees in general with the recommendations made by JIU. UNIDO reaffirmed its support of the goals of self-reliance and greater involvement and responsibilities of Governments in the execution of development programmes. However, it also cautioned that self-reliance was not necessarily attained through developing capacities for administering and managing the development assistance from which countries would want to become independent in the long term. Instead, national execution was rather seen as a means to ensure the expression of national sovereignty and to attain cost savings. In this context, UNIDO emphasized the importance of maintaining a tripartite relationship.

B. Administrative and organizational matters

Accountability and oversight in the United Nations (JIU/REP/93/5)

22. The report is the first part of a larger study on accountability and oversight in the United Nations system. It covers the accountability and

oversight mechanisms of the United Nations Secretariat, while a second report is under preparation by JIU on the systems that the various agencies operate in this respect.* The report presents an analysis of the four oversight offices of the United Nations Secretariat, i.e. Internal Audit Division, Central Evaluation Unit, Central Monitoring Unit and Management Advisory Service. After summarizing the basic mandates, functions, resource allocations and strengths of these four units, the report gives an insight into their major weaknesses, which relate to staff strength, competence and independence.

23. In the report, JIU recommended that all four units should be consolidated into one entity under the supervision of an appointee at the level of Under Secretary-General or Assistant Secretary-General. This recommendation is largely based on the recognition of the increasing demand of Member States for independent and accurate information on the management and utilization of resources entrusted to the United Nations system. A consolidation of all four offices and their strengthening through additional staff appointments is believed to achieve the following results: increased independence; a removal of overlaps and similarities between the four functions, thus enhancing the cooperation between the four oversight offices; improvements in transparency insofar as it is recommended that all four offices produce an annual report on their work and findings; enhancement of compliance, professionalism and economies of scale. Moreover, an oversight office strengthened in this way is believed to increase visibility and provide a stimulus that ensures sustained efforts towards management improvements. In the meantime, the Office for Inspections and Investigations headed by an Assistant Secretary-General was established. That office is currently being converted into the Office of Internal Oversight and is headed by a newly appointed Under Secretary-General.

24. UNIDO was contacted by JIU to provide information and hold discussions on the subject. This information is expected to be reflected in the forthcoming JIU report on the matter. As to its oversight functions, UNIDO has in the Office of the Director-General the Management Coordination and Monditoring Unit and the Internal Audit Unit, in the Office of the Managing Director of the Country Strategy and Programme Development Division the Quality Assurance Unit, and in the Mobilization and Management of Financial Reosurces Division, the Evaluation Section.

Analysis of cost savings from JIU reports and notes, 1985-1992 (JIU/REP/93/7)

25. The report contains a review and analysis of past JIU reports and the follow-up with organizations concerned with the implementation of the recommendations made by JIU. One of the reasons for undertaking the study was derived from the Statute of the JIU which indicates the Unit's oversight function for the economic functioning and utilization of resources of participating organizations. The intention was to identify the amount of cost savings (potentially) achieved by the proposals made in JIU reports, to suggest ways and means to improve the impact and increase the quality, clarity and specificity of future recommendations. The report identified that $78,400,000 has been or could have been saved in the United Nations system as a result of implemented recommendations.

26. UNIDO was requested to provide information on two issues, i.e. staff travel cost to international meetings and special arrangements for the reimbursement of national income taxes. On the former, the UNIDO Secretariat replied that the Director-General in office at that time had issued instructions in line with, although independent of, the recommendations of JIU. However, the extent of exact savings could not yet be established. With regard to the latter, correspondence has been initiated with the Government involved and further developments will be drawn to the attention of the Programme and Budget Committee at its eleventh session.

C. Personnel

Relationship agreements between the United Nations and the specialized agencies; review and strengthening of sections pertaining to the common system of salaries, allowances and conditions of services (JIU/REP/93/3)

27. The Joint Inspection Unit prepared this report pursuant to General Assembly resolution 46/191 section B in which the Economic and Social Council was requested to review and strengthen the applicable sections of the relationship agreements between the United Nations and member organizations of the United Nations common system in order to enhance comparability and further adherence to the goals and objectives of the common system. None of the 17 agreements concluded between the United Nations and member organizations of the United Nations common system have been revised since their conclusion, and thus do not reflect recent developments in the common system. One of the most important events subsequent to the conclusion of the agreements was the establishment of the International Civil Service Commission. JIU states that the acceptance of the Commission's statute is of key importance to the existence and operation of the common system; it provides a clear definition of the ICSC objectives and its powers and responsibilities are commensurate with its important functions.

28. The report concludes that these 17 relationship agreements resemble political declarations rather than legal instruments containing specific rights and obligations with respect to coordination matters. None the less, they provide a useful and flexible framework for the development of inter-organizational relationships.

29. The JIU recommended a number of actions aimed at strengthening the common system: a complete and updated evaluation of the implementation of all agreements should be undertaken, indicating those areas that function properly as compared to those that require revision; a more active and specific application of existing coordination measures; an extended role of ICSC through its exposure to agencies in the form of participation in meetings and consulting management and staff as well as anticipating, addressing and reporting on potential problems to the General Assembly; the formulation of agreed interpretations and understandings of relevant provisions of the

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* That report is expected in September/October 1994 and will be covered in the next note by the Secretariat on JIU activities.

relationship agreements by the Economic and Social Council, the General Assembly and the governing bodies of the agencies, whereafter the interpretations should be dealt with through the ACC machinery and submitted for approval by the General Assembly and the governing bodies of the agencies; a more active use of the possibility of supplementary arrangements concluded by executive heads of agencies to regularize modalities of practical cooperation; the General Assembly and Council should bring to the attention of Member States the importance of presenting coherent and consistent positions on the various common system issues at the forums of the different agencies; substantially more preparatory background work to be undertaken by relevant subsidiary bodies either through the Committee for Programme and Coordination (CPC), who should be entrusted with the task of formulating draft understandings and interpretations, or through the creation of an inter-sessional committee on coordination matters; the continuation of periodic sessions devoted to system-wide coordination matters at joint meetings of CPC and ACC at the high-level segment of the Economic and Social Council in order to arrive at a common perception of coordination and a common understanding of resources needed to make most efficient use of the institutional and human potential of the United Nations system of organizations.

30. UNIDO fully supports the common system and participates actively in the relevant inter-agency mechanisms while, however, maintaining its status as a specialized agency. As to the recommendation that ICSC representatives should participate in agency meetings, UNIDO cautioned that this would result in cost increases beyond its benefits and effects.

Advancement of the status of women in the United Nations Secretariat in an era of "human resources management" and "accountability": a new beginning? (JIU/REP/94/3)

31. The report is part of a broader JIU assessment on the status and advancement of women through, and in, the programmes of the United Nations system. It examines actions being taken to eliminate bias against and exclusion of women, and to establish and maintain gender equity in the United Nations Secretariat. The report is based on the understanding that the enhancement of the status of women in the United Nations Secretariat would go a long way to achieve the equal rights principles called for in the United Nations Charter, and strengthen the credibility and world-wide leadership role of the United Nations in this respect. Although the report is directed towards the United Nations Secretariat, the Inspector was of the opinion that the ideas discussed therein would be of interest to other agencies of the system. The report focuses particularly on the current opportunity to greatly strengthen the status and advancement of women as part of new policies calling for greater transparency, accountability and strategic management of human resources in the Secretariat. The report observes that the many programmes adopted by the United Nations for the advancement of women have proven ineffective, because the underlying organizational climate and personnel processes of the Secretariat have scarcely changed, thus resulting in many quantitative targets not being met. It concludes that while the major obstacles to women's advancement have been much talked about, they have not been reduced.

32. The recommendations are directed at the General Assembly and Secretary-General and entail the following: the comprehensive report on personnel matters should be continued as a biannual human resources report; the Office of Human Resources Management (OHRM) should be strengthened by creating a small, specialized planning and analysis staff in the Office; accountability for and follow-up on personnel programmes should be greatly increased through an emphasis on substantive data and analysis; a new, ten-step programme should be implemented including the greater involvement of the Advisory Panel on Management and Finance, resumed reporting by the Steering Committee for the Improvement of the Status of Women, expert consultant services should be obtained for the Steering Committee, building of a world-wide network of secretariat focal points and committees, integrated in the new system of accountability, and responsible heads and programme managers should be held fully accountable for implementing policies for women's advancement, systematic analysis to improve the situation and prospects of women General Service staff, certification by OHRM to ensure equal opportunities in recruitment procedures, identification of new, cost-effective ways to contact and recruit highly qualified women, submission of female candidates by Member States, and pursuance of diversity training, work place issues and full implementation of sexual harassment grievance processes.

33. UNIDO supports the principles of gender equality. During the recent promotion excercise, a special policy was adopted to ensure an improved ratio of women in senior Professional-level categories, in an effort to counterbalance the effects of the staff reduction exercise. Moreover, since 1988, the Director of Personnel Services has been appointed as the High-Level Coordinator for the Improvement of the Status of Women in the Secretariat and is supported by the Joint Advisory Committee Sub-Committee on Women. The Sub-Committee has wide-ranging functions, including the identification, review and maintenence of measures to ensure gender neutrality in the policies and procedures of the Secretariat (cf. UNIDO/DA/PA/INF.1021).

Toward a new system of performance appraisal in the United Nations Secretariat: Requirements for successful implementation (JIU/REP/94/5)

34. This report is part of the continuing work by JIU on the issues of accountability and responsibility and was prepared in response to a request of the United Nations Secretariat and concerns expressed by Member States at the General Assembly. In light of the increasing pressure on international organizations to utilize their scarce resources most effectively and efficiently, organizations need to develop a more dynamic and responsive culture. The report found that while the United Nations had attempted to evaluate and appraise the performance of its staff for many years, staff, administration and the General Assembly expressed strong dissatisfaction with the process. In spite of improvements in the system that have been attempted over the past 17 years, JIU concludes that the system fails to provide objective analyses and performance assessment as too much emphasis is placed on the subjective measure of the characteristics and traits of staff. Moreover, ratings are not only vague but an unrealistically large number of performances are rated in the upper end of the scale which

renders the system meaningless for promotion and career development purposes. A new performance appraisal system is a central component of a system of increased accountability and responsibility, changes the basic nature of supervisor-staff relationships and contributes to a fundamental change in the organizational climate throughout the United Nations system.

35. The report recommends to establish and continuously enhance the new performance appraisal system under the careful monitoring of the Secretary-General and the General Assembly. To provide the full commitment that such a major change in organizational culture requires, the Secretary-General should take determined action to implement and continuously upgrade an improved accountability system, ensure highly visible and continuous commitment of top management and support to the new appraisal system, establish clear guidance and roles for all managers/supervisors and organize special training to enable them to carry out their critical new responsibilities. Moreover, the Secretary-General should give high priority to the establishment of an integrated system that links mandates, objectives, strategies, work programmes and individual staff performance agreements and standards, thus serving as a basis for improved assessment of staff performance and programme performance alike; ensure objective, transparent, distinct and fair ratings, utilizing performance rating as the key input to promotion and placement as well as respond to the General Assembly's call for firm sanctions for poor performers; and establish a formal, full-time unit in charge of the implementation of the performance appraisal system and its future improvements as well as reporting to the General Assembly. In addition, staff training plans should be revised and expanded to prepare staff for the new system, make 1995 the transitional year during which the system would be introduced while keeping in mind that other elements of the accountability system are not yet in place, and providing additional financial resources for the implementation of the new system.

36. UNIDO shares the concerns raised by JIU and observed the same shortcomings with its performance appraisal system, which it shared with the United Nations until 1989. As of that year, UNIDO introduced a new system of performance appraisal that increases objectivity and performance assessment according to agreed targets. Largely based on the process of consultation, tasks to be performed during a reporting period are agreed between supervisors and staff members. The system operates on the principles established by ICSC. UNIDO is currently reviewing the appraisal performance system and has at present a working group looking into further improvements. It is appreciated that JIU recommends a move into the same direction for the United Nations.

III. ACTION REQUIRED BY THE BOARD

37. In compliance with the provisions of the statute of JIU and resolution 48/221 of the General Assembly (see para. 2 above) that foresee that recommendations made by JIU should be considered and approved by Member States prior to their implementation by organizations and agencies, the Board may wish to review the recommendations of JIU together with the UNIDO views thereon and provide policy guidance for follow-up action.